



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10**

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OFFICE OF
ECOSYSTEMS,
TRIBAL AND PUBLIC
AFFAIRS

June 13, 2013

Helen M. Goode, Acting Director
Office of Protected Resources, National Marine Fisheries Service
National Oceanic and Atmospheric Administration
1315 East-West Highway, Room 13705
Silver Spring, Maryland 20910

Re: EPA Comments on the Draft Supplemental Environmental Impact Statement for the Effects of Oil and Gas Activities in the Arctic Ocean, EPA Project #10-012-NOA.

Dear Ms. Goode:

We have reviewed the National Marine Fisheries Service Effects of Oil and Gas Activities in the Arctic Ocean Draft Supplemental Environmental Impact Statement (CEQ No. 20130075) in accordance with our responsibilities under the National Environmental Policy Act and Section 309 of the Clean Air Act. Section 309 specifically directs the EPA to review and comment in writing on the environmental impacts associated with all major federal actions. Under our policies and procedures, we assign a rating to the draft Environmental Impact Statement based on the environmental impacts of the proposed action and the document's adequacy in meeting NEPA requirements.

The Draft Supplemental Environmental Impact Statement revises the previous Environmental Impact Statement published in 2011 and includes an additional alternative that considers higher levels of activities than previously evaluated. This change was based on comments received through public comment at that time. Although the level of activity is expected to be much lower based on more recent announcements by the lessees, we believe the current suite of alternatives is adequate given the regular fluctuation of anticipated activity. Projections may again increase if oil or natural gas prices rise substantially over the next few years. We are hopeful that the National Marine Fisheries Service will continue to move forward with the Final Supplemental Environmental Impact Statement and Record of Decision for all stakeholders involved.

We previously concluded that the original Environmental Impact Statement provided a thorough analysis of the effects of potential oil and gas activities in the Beaufort and Chukchi Seas, and that the document will be useful for project-specific analyses into the future. We also commended the National Marine Fisheries Service for voluntarily undertaking the analysis of a very large spill event. We offered suggestions for some minor but substantive changes for consideration in the Final EIS, and have been consulted throughout this supplemental process. We believe that most of our edits and recommendations have been incorporated into this Draft SEIS. Therefore, we do not have any other recommendations to offer at this time.

Based on the potential moderate impacts to select resources identified in the document, as well as the quality of the analysis, we have again assigned a rating of EC-1 (Environmental Concerns-Adequate

Information) to the Draft SEIS. An explanation of our rating system is attached. Our rating and our comments will be posted on the EPA Office of Federal Activities website at <http://www.epa.gov/compliance/nepa/eisdata.html>. We continue to have concerns regarding the potentially moderate impacts to beluga and bowhead whales under the various action alternatives, as well as the potential for impacts to numerous resources, particularly subsistence activities and by extension, North Slope residents, should a very large oil spill event occur. We recognize, however, that the EIS identifies appropriate mitigation to address impacts to the extent possible, and therefore we do not have any additional mitigation suggestions to offer at this time.

We note that the EPA has recently begun developing new National Pollution Discharge Elimination System (NPDES) general permit(s) for discharges related to geotechnical surveying activities that may be applicable to this analysis. Whether or not the permit(s) should be considered in the analyses for this project will depend on the timing of permit issuance and the timing of the Final Supplemental EIS issuance. Information pertaining to this permit can be obtained by contacting Erin Seyfried, NPDES Permit Writer, directly at (206) 553-1448 or seyfried.erin@epa.gov. Although the permit is in the early stages of development, preliminary documents such as fact sheets, draft permits, and other related documents will be posted online at <http://yosemite.epa.gov/r10/water.nsf/npdes+permits/arctic-gp>.

Thank you again for the opportunity to review and provide written comments on this Draft Supplemental Environmental Impact Statement. If you have any questions regarding this letter, please contact me at (206) 553-1601, or by e-mail at reichgott.christine@epa.gov, or you may contact Jennifer Curtis of my staff in Alaska at (907) 271-6324 or by e-mail at curtis.jennifer@epa.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Erin Pefern" followed by a small mark that looks like "for".

Christine B. Reichgott, Manager
Environmental Review and Sediments Management Unit

cc: Candace Nachman, NMFS

Enclosure

U.S. Environmental Protection Agency Rating System for Draft Environmental Impact Statements

**U.S. Environmental Protection Agency Rating System for
Draft Environmental Impact Statements
Definitions and Follow-Up Action***

Environmental Impact of the Action

LO – Lack of Objections

The U.S. Environmental Protection Agency (EPA) review has not identified any potential environmental impacts requiring substantive changes to the proposal. The review may have disclosed opportunities for application of mitigation measures that could be accomplished with no more than minor changes to the proposal.

EC – Environmental Concerns

EPA review has identified environmental impacts that should be avoided in order to fully protect the environment. Corrective measures may require changes to the preferred alternative or application of mitigation measures that can reduce these impacts.

EO – Environmental Objections

EPA review has identified significant environmental impacts that should be avoided in order to provide adequate protection for the environment. Corrective measures may require substantial changes to the preferred alternative or consideration of some other project alternative (including the no-action alternative or a new alternative). EPA intends to work with the lead agency to reduce these impacts.

EU – Environmentally Unsatisfactory

EPA review has identified adverse environmental impacts that are of sufficient magnitude that they are unsatisfactory from the standpoint of public health or welfare or environmental quality. EPA intends to work with the lead agency to reduce these impacts. If the potential unsatisfactory impacts are not corrected at the final EIS stage, this proposal will be recommended for referral to the Council on Environmental Quality (CEQ).

Adequacy of the Impact Statement

Category 1 – Adequate

EPA believes the draft EIS adequately sets forth the environmental impact(s) of the preferred alternative and those of the alternatives reasonably available to the project or action. No further analysis of data collection is necessary, but the reviewer may suggest the addition of clarifying language or information.

Category 2 – Insufficient Information

The draft EIS does not contain sufficient information for EPA to fully assess environmental impacts that should be avoided in order to fully protect the environment, or the EPA reviewer has identified new reasonably available alternatives that are within the spectrum of alternatives analyzed in the draft EIS, which could reduce the environmental impacts of the action. The identified additional information, data, analyses or discussion should be included in the final EIS.

Category 3 – Inadequate

EPA does not believe that the draft EIS adequately assesses potentially significant environmental impacts of the action, or the EPA reviewer has identified new, reasonably available alternatives that are outside of the spectrum of alternatives analyzed in the draft EIS, which should be analyzed in order to reduce the potentially significant environmental impacts. EPA believes that the identified additional information, data, analyses, or discussions are of such a magnitude that they should have full public review at a draft stage. EPA does not believe that the draft EIS is adequate for the purposes of the National Environmental Policy Act and or Section 309 review, and thus should be formally revised and made available for public comment in a supplemental or revised draft EIS. On the basis of the potential significant impacts involved, this proposal could be a candidate for referral to the CEQ.

* From EPA Manual 1640 Policy and Procedures for the Review of Federal Actions Impacting the Environment. February, 1987.